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C O N F I D E N T I A L SECTION 01 OF 02 MANILA 001814

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TAGS: [PREL](#) [ECON](#) [MCAP](#) [PTER](#) [AS](#) [NZ](#) [RP](#)
SUBJECT: ARROYO'S DOWN UNDER DIPLOMACY

Classified By: POL/C Scott Bellard, for reasons 1.4 (b) and (d)

11. (SBU) Summary: President Arroyo presided over the signing of a number of bilateral security and economic agreements during her recent visits to Australia and New Zealand, most significantly a landmark Status of Forces Agreement (SOFA) with Australia, which nonetheless will likely face a difficult passage through the Philippine Senate. Australia also announced plans to donate shallow-draft patrol boats to the Philippine military and to provide human rights-related assistance. The President's trip to New Zealand included attendance at the Regional Interfaith Dialogue, the signing of a law enforcement cooperation agreement (with plans to coordinate with our police advisor), assistance on human rights, and various economic commitments from the New Zealand business community. Hecklers criticizing the Philippines on unlawful killings hounded President Arroyo in both countries. End Summary.

Landmark Military Accord

12. (C) The cornerstone of President Arroyo's official visit to Australia May 30-31 was the signing of the Philippine-Australia Status of Forces Agreement (SOFA), which would cover Australian military counterterrorism exercises and training projects in the Philippines. The SOFA awaits ratification by the Australian Parliament and the Philippine Senate. Under negotiations for about two years, the SOFA will enable Australia to engage in significantly more military-to-military training and exercises and counterterrorism assistance, along the lines of what the U.S. is able to do under our Visiting Forces Agreement, although Philippine officials were quick publicly to dismiss comparisons between the two agreements. Australian diplomats in Manila confirmed that the SOFA will enable Philippine authorities to gain custody over Australian soldiers accused of crimes outside their official duties (as long as the alleged offense would also be a crime in Australia) and that detention and any eventual imprisonment would be on Philippine soil, unlike the terms of the VFA. There are reciprocal provisions for Philippine troops who commit crimes in Australia.

13. (SBU) During the visit, Australia announced that it will provide the Philippine military with about 30 shallow-draft patrol boats (the exact quantity and model to be determined) capable of operating in the marshlands of Mindanao. According to Australian diplomats, tenders are already under consideration, with an expectation that the first boats will arrive by the end of 2007. The two sides emphasized their counterterrorism partnership, especially in Mindanao and against transnational terrorism, but underscored that there

would be no Australia bases in the Philippines, nor would Australian troops undertake combat operations.

¶4. (SBU) Australian officials in Canberra expressed concern with unlawful killings in the Philippines, according to contacts here, but also announced that the Australian Government will provide AUS \$250,000 for funding human rights projects in the Philippines. The two governments agreed to work collaboratively to identify further assistance to Philippine institutions dealing with human rights.

¶5. (SBU) Australian business representatives in Manila noted some disappointment over a lack of commercial interest during Arroyo's visit, including at an ANZ Bank-sponsored Asia Society speech by Arroyo in Melbourne.

New Zealand Highlights

¶6. (SBU) In New Zealand May 28-30, President Arroyo attended the opening of the Asia-Pacific Regional Interfaith Dialogue, the "prime reason" for the visit, according to New Zealand diplomats in Manila. The interfaith dialogue was a follow-on to an inter-faith dialogue that Prime Minister Helen Clark had attended in Cebu, which traced its origins to the aftermath of the Bali bombing.

¶7. (C) Arroyo also encountered some tough talk in Wellington about the need to take action against unlawful killings, but Prime Minister Clark agreed to provide as yet unspecified assistance to the Philippine Commission on Human Rights. A team will visit Manila in the coming months to shape out a program, which likely will consist of training rather than hardware, according to the New Zealand Embassy. New Zealand

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also plans to enhance training for the Philippine National Police (PNP) via a new law enforcement cooperation agreement.

Diplomats here said that the plan is to coordinate with the U.S. Senior Law Enforcement Advisor and our ongoing assistance to the PNP Transformation Plan. Top priorities likely will include community policing and rights-based training for the PNP.

¶8. (SBU) New Zealand diplomats expressed satisfaction with new investment commitments related to mining and agriculture (especially export of Philippine fruits), but did not yet have many details.

Not Without Protest

¶9. (SBU) Well-organized but small groups of hecklers (including some from Manila) hounded President Arroyo at several stops over alleged human rights violations in the Philippines. In Australia, a private airplane reportedly towing a banner "Stop Gloria-fying Berdugo Palparon" (a reference to a former Armed Forces of the Philippines commander implicated in extra-judicial killings) flew overhead during the welcome ceremony for President Arroyo. There was also an unusual protest by the leftist Bayan Muna "party-list" group outside the Australian Embassy in Manila on May 31.

Comment

¶10. (C) The SOFA with Australia is only the second such agreement undertaken by the Philippines, after our VFA. Ratification of the SOFA by the Philippine Senate promises to be a contentious affair, as the new Senate will likely be dominated by foes of the Arroyo Administration, with eyes on the Presidential elections in 2010. The absence on the scene

of former Defense Secretary Avelino Cruz, who had long championed the Australian SOFA and similar agreements with ASEAN members and who had laid the groundwork with the departing 13th Congress, may weaken the Administration's ability to persuade the new Senate to go along with this SOFA, at least in the short run.

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